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February 23, 2012

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Chief Executive Officer/President
BP Corporation North America, Inc.
501 Westlake Park Blvd.
Houston, TX 77079

Owner/Managing Agent
BP Corporation North America, Inc
BP West Coast Products, LLC
4 Centerpointe Drive
La Palma, CA 90623

Operator/Terminal or Site Manager
1306 Canal Blvd.
Richmond, CA 94604

Re: Notice of Violations and Intent to File Suit under the Clean Water Act

Dear Owners, Site Managers and other Responsible Parties:

NOTICE

The Clean Water Act ("CWA") § 505(b) requires that 60 days prior to the initiation of a civil action under CWA § 505(a), [33 U.S.C. § 1365(a),] a citizen must give notice of the intent to sue to the alleged violator, the Environmental Protection Agency ("EPA") and the State in which the violations

Northern California River Watch ("River Watch") hereby places BP Corporation of North America, Inc., and BP West Coast Products, LLC, hereinafter referred to as "the Discharger" on notice, that following the expiration of 60 days from the date of this Notice, River Watch intends to bring suit in the United States District Court against the Discharger in its capacity as current or former owner, manager and/or operator of the bulk fuel terminal facilities located at 1306 Canal Boulevard in the City of Richmond, California ("Facilities"), for continuing violations of an effluent standard or limitation, permit condition or requirement, a Federal or State Order issued under the CWA, in particular, but not limited to CWA § 505(a)(1), 33 U.S.C. § 1365(a)(1), the Code of Federal Regulations, and the Regional Water Quality Control Board's Water Quality Control Plan ("Basin Plan,") as exemplified by the Discharger's illegal discharges of pollutants from a point source to waters of the United States without a National Pollutant Discharge Elimination System ("NPDES") permit.

This Notice also addresses the Discharger's ongoing violations of the substantive and procedural requirements of CWA § 402(p) and NPDES General Permit No. CAS000001, State Water Resources Control Board Water Quality Order No. 92-12-DWQ, as amended by Order No. 97-03-DWQ ("General Industrial Storm Water Permit" or "General Permit"). The CWA prohibits storm water discharges without a permit pursuant to 33 U.S.C. § 1342; 40 C.F.R. § 122.26. River Watch contends the Discharger is not in possession of a NPDES permit allowing the discharge of pollutants from the Facilities and from numerous point sources within the Facilities to waters of the United States as required by CWA § 301(a), 33 U.S.C. § 1311(a), CWA §§ 402(a) and 402(b), 33 U.S.C. § 1342(a) and 1342(b) as well as CWA § 402(p), 33 U.S.C. 1342(p).

The CWA requires that any notice regarding an alleged violation of an effluent standard or limitation, or of an order with respect thereto, shall include sufficient information to permit the recipient to identify:

1. The specific standard, limitation, or order alleged to have been violated

The CWA regulates the discharge of pollutants into navigable waters. The statute is structured in such a way that all discharge of pollutants is prohibited with the exception of several enumerated statutory exceptions. One such exception authorizes a polluter who has been issued a NPDES permit pursuant to the CWA, to discharge designated pollutants at certain levels subject to certain conditions. The effluent discharge standards or limitations specified in a NPDES permit define the scope of the authorized exception to the CWA § 301(a), 33 U.S.C. § 1311(a) prohibition. Without a NPDES permit, all surface and subsurface discharges from a point source to waters of the United States are illegal.

River Watch contends the Discharger has failed to obtain a NPDES permit allowing the discharge of pollutants from the Facilities and numerous point sources within the Facilities including the storage tanks, infrastructures and associated piping, to waters of the United States as required by CWA § 301(a), 33 U.S.C. § 1311(a), CWA §§ 402(a) and 402(b), 33 U.S.C. §§ 1342(a) and 1342(b) as well as § 402(p), 33 U.S.C. 1342(p). The CWA prohibits storm water discharges without a permit pursuant to 33 U.S.C. § 1342; 40 C.F.R. § 122.26.

2. *The activity alleged to constitute a violation*

To comply with this requirement the Background section of this Notice describes with particularity the activities leading to violations. River Watch alleges the Discharger is discharging pollutants including petroleum products and petroleum constituents from the Facilities and various point sources within the Facilities, to waters of the United States. The point sources were and are petroleum storage tanks and associated piping infrastructure, some of which may have been subsequently removed from the Facilities, and may include drainage ditches and subsurface drainage from the tank farm. The solid and hazardous waste discharged from these storage tanks is also a point source. At the present time these point sources continue to discharge from the Facilities to adjacent surface waters.

The liability of the Discharger stems from its ownership, management and/or operation of the Facilities, or due to the activities conducted thereon by the Discharger as well as ownership and/or control of conduits on or underneath the Facilities which act as preferential pathways and point sources for the pollutants being discharged.

3. *The discharger responsible for the alleged violation*

The dischargers responsible for the violations of the CWA alleged in this Notice are BP Corporation of North America, Inc., and BP West Coast Products, LLC, referred to herein as "the Discharger", due to its current or former ownership and/or operation of the Facilities. River Watch believes the Discharger has also assumed legal responsibility to remediate the Facilities in the event previous site owners or operators may have contributed to unauthorized discharges.

4. *The location of the alleged violation*

The locations of the various violations are the Facilities located at 1306 Canal Boulevard in Richmond, California and points sources therein. Violation locations are also contained in records either created or maintained by or for the Discharger which relate to the Discharger's activities at the Facilities including records filed with regulatory agencies including the Regional Quality Control Board ("RWQCB").

5. *The date or dates of violation or a reasonable range of dates during which the alleged activities occurred*

River Watch contends the disposition, discharge and release of pollutants from the Facilities has been ongoing for a number of years. Records reviewed by River Watch with respect to the Facilities include evidence of hydrocarbon releases as far back as the late 1980s. The CWA is a strict liability statute with a 5-year statute of limitations. Therefore, the range of dates covered by this Notice is February 17, 2007 through February 17, 2012. River Watch will from time to time supplement this Notice to include any violations of the CWA which occur at the Facilities after the date of this Notice. The majority of the violations identified herein such as discharging pollutants to waters of the United States without a NPDES permit, failure to implement the requirements of the CWA, failure to meet water quality objectives, etc., are continuous, and therefore each day is a violation.

River Watch believes the violations identified in this Notice are continuing in nature or will likely continue after the filing of a lawsuit. Specific dates of violations are also evidenced in the Discharger's own records (or lack thereof) or files and records of other regulatory agencies including the RWQCB, GeoTracker, and Contra Costa County Department of Health.

6. *The full name, address, and telephone number of the person giving notice*

The entity giving this Notice is Northern California River Watch, P.O. Box 817, Sebastopol, CA, 95472, referred to throughout this Notice as "River Watch". River Watch is a non-profit corporation organized under the laws of the State of California, and dedicated to the protection and enhancement of the waters of the State of California including all rivers, creeks, streams and ground water in Northern California. Its Phone / Fax is (707) 824-4372 and electronic mail address is US@ncriverwatch.org.

BACKGROUND

BP RICHMOND TERMINAL, 1306 CANAL BOULEVARD, RICHMOND, CA

This site, an actively operating, bulk fuel terminal located in a heavy industrial area of Richmond, was formerly owned and operated by ARCO, but is now under the Discharger's ownership and control. The Discharger is the successor in interest to ARCO's remediation responsibilities for these Facilities. Bulk petroleum products including gasoline, diesel, lubricating oil, gasoline additives, ethanol and jet fuel are received, stored at and distributed from the Facilities.

The property contains a 17-acre "Upper Terminal" which has been in continuous operation as a bulk fuel terminal since approximately the 1940s. The Upper Terminal is bound to the east, west and south by the Richmond port facility, and on the north by the East Bay Regional Park property. The Upper Terminal primarily contains above ground petroleum storage tanks built into the hillside.

Excavated material from the upper tank farm area was deposited onto tidal flats below, becoming the 28-acre "Lower Terminal" which was developed in the 1960s. The Lower Terminal is bound by the UNOCAL Richmond Oil Terminal to the north, Canal Boulevard to the west, and Harbor Channel to the east. The Lower Terminal consists of underground tanks, a marine loading dock, a railroad loading rack, a truck loading rack and office buildings.

Initial, unauthorized petroleum releases occurred in the late 1980s. Soil and groundwater investigations commenced in 1990. Investigations and groundwater monitoring was conducted between 1993 and 1997 following Cleanup and Abatement Order 93-076 issued by the RWQCB in July of 1993, which required a proactive program of remediation.

A biosparging system was completed in late 1997 with the installation of 49 entry points, later increasing to a total of 89 points by 1998, powered by 4 compressors. Biosparging continues at the present time. In May of 2001, an SPH bailing program was initiated to reduce diesel contamination from the original release, with bailing being conducted between 2 and 8 times monthly via 4 extraction wells. From 2006 to the present, SPH bailing has been conducted twice monthly.

On or about September 28, 2009, terminal personnel notified the engineering consultant for the Facilities (Stantec) of the discovery of intermittent petroleum sheen on the surface of ocean water in Harbor Channel near the terminal's dock. An absorbent boom was placed in the Channel to mitigate dispersion of the contamination. Subsequent investigations determined that the sheen of diesel hydrocarbons originated from an abandoned storm drain line on the Facilities. Responding to this release, in the autumn of 2010 contractors for the Discharger installed extraction trench wells in a 32 ft. section near the marine dock where the sheen had been observed. Since that time, extraction work has been conducted by means of a vacuum truck at this trench. No further hydrocarbon sheens have been reported by terminal personnel.

At the present time, the Discharger is relying upon little more than biosparging and SPH bailing in the hope of eventually achieving complete remediation. However, on the basis of the last available site monitoring records (GeoTracker: 8/16/2011), considerable contamination remains in groundwater despite current remediation strategies.

Analytical findings of monitoring wells in 2011 indicate that SPH sheen has been observed from time to time. SPH is bailed, if necessary, on a twice monthly basis. These findings also reflect high levels of petroleum constituents. In August of 2011, chloride levels were found as high as 21,000,000 µg/l (MW-23LD); total alkalinity as high as 2,640,000 µg/l (MW-23LS) and 1,670,000 µg/l (MW-11L); nitrogen (ammonia) as high as 54,000 µg/l; n-hexane as high as 12,800 µg/l; TPHg (aka GRO) as high as 7,700 µg/l, TPHd as high as 4,600 µg/l, and TBA as high as 6,800 µg/l.

Documents available to River Watch at this time indicate no full scale evaluation of the Facilities has been conducted to date. Some monitoring data either has not been gathered, or is not readily available for review. River Watch believes in order to adequately remediate the hydrocarbon and other contamination at the Facilities, the below preliminary investigatory steps must be taken without delay:

1. Complete delineation of the Facilities (including vertical delineation) for the purpose of enabling a comprehensive evaluation of the extent of underlying contamination, including an evaluation of the potential for further hydrocarbon migration beneath or around the extraction trench and into Harbor Channel.
2. Consideration of over-excavation to eliminate lingering sources of SPH and petroleum hydrocarbon constituents from migrating into offsite groundwater and surface waters.
3. Completion of a current sensitive receptor survey to outline and prevent threats of contamination to adjacent surface waters, including the testing of Harbor Channel in the areas where SPH was initially recovered in 2009, and soil testing of the shoreline margin. Visual observation of sheen on the water is ineffective.
4. Completion of a preferential pathway study to determine whether there are other conduits, sewer lines, storm drains, gravel lenses or other avenues by which hydrocarbons and constituents may be migrating from the Facilities into Harbor Channel and under or around the extraction trench.

Proactive remediation work (beyond biosparging strategies) should be initiated as soon as the necessary investigations and assessments are concluded.

STATUTORY VIOLATIONS OF THE CWA

Existing records indicate petroleum based pollutants continue to be discharged from the Facilities to waters of the United States via subsurface, hydrologically connected, contaminated ground waters, from subsurface seepage, and from storm waters that wash

pollutants off of the Facilities grounds. Current and/or former storage tanks, current and/or former infrastructure and piping, and former surface spills are some of the point sources contributing to the surface and subsurface discharges. Other point sources may include drainage ditches which act as conduits for the transmission for pollutants from the Facilities to waters of the United States. Pursuant to CWA § 301(a), 33 U.S.C. § 1311(a), the EPA and the State of California have formally concluded that violations such as those exemplified by the Discharger as identified in this Notice, are prohibited by law.

River Watch alleges that between February 17, 2007 and February 17, 2012, the Discharger has caused or permitted, causes or permits, or threatens to cause or permit, petroleum contaminants, petroleum constituents and other hazardous waste to be discharged or deposited where it is, or probably will be discharged into waters of the State and now creates, or threatens to create, a condition of pollution or nuisance. The discharge and threatened discharge of such petroleum waste and other hazardous wastes from the Facilities is deleterious to the beneficial uses of water, and is creating and threatens to create a condition of pollution and nuisance which will continue unless it is permanently abated.

River Watch alleges that between February 17, 2007 and February 17, 2012, the Discharger's use and storage of petroleum at the Facilities has allowed significant quantities of hazardous petroleum constituents to be released or discharged into soil and groundwater in violation of provisions of the CWA and California's Underground Storage Tank regulatory programs including, but not limited to, provisions governing general operating requirements for underground storage tanks, release detection and prevention requirements, release reporting and investigation requirements, and release response and corrective action requirements. Such discharges have also been allowed to impact waters of the United States in violation of the CWA.

REGULATORY STANDARDS

The RWQCB has adopted Water Quality Objectives which exist to ensure protection of the beneficial uses of water. Several beneficial uses of water exist, and the most stringent Water Quality Objectives for protection of all beneficial uses are selected as the protective water quality criteria. Alternative cleanup and abatement actions need to be considered for the Facilities that evaluate the feasibility of, at a minimum: (1) cleanup to background levels, (2) cleanup to levels attainable through application of best practicable technology, and (3) cleanup to protective water quality criteria levels. According to the RWQCB, the existing and potential uses of the Richmond Harbor Bay and Harbor Channel include: industrial process and industrial service supply; navigation; water contact recreation; non-contact recreation; ocean commercial and sport fishing; wildlife habitat; preservation of rare and endangered species; fish migration and spawning; shellfish harvesting; and estuarine habitat.

The RWQCB has adopted a Basin Plan which designates all surface and groundwater within the North Coast and San Francisco Bay regions as capable of supporting domestic water supply. The RWQCB has adopted Maximum Contaminant Levels in the case of drinking water, and/or Water Quality Objectives for petroleum constituents in surface and groundwater within the region of 50 ppb for TPHg, 1 ppb for benzene, 150 ppb for toluene and 13 ppb for MTBE.

River Watch alleges that between February 17, 2007 and February 17, 2012 the Discharger has used, stored and transported, and continues to use, store and transport, petroleum products at the Facilities in a manner which has allowed significant quantities of hazardous petroleum constituents and other hazardous contaminants to be discharged to soil and groundwater beneath the Facilities and to surface waters lying downgradient from the Facilities. The contaminant levels of chloride, alkalines, TPHg, TPHd and TBA in soils and groundwater at and surrounding the Facilities are significantly greater than the allowable contaminant levels under the Basin Plan and the California Toxics Rule or under EPA benchmarks. These contaminants are known to harm both plants and animals. In their concentration at this location, these pollutants are creating an imminent and substantial endangerment to public health and the environment.

The violations alleged in this Notice are knowing and intentional in that the Discharger has used, stored, transported and sold petroleum products at the Facilities which are known to contain hazardous substances, and has intended that such products will be sold to and used by the public. River Watch contends the Discharger has known of the contamination since at least the late 1980s, and has also known that failing to promptly remediate the pollution allows the contamination to migrate through soil and groundwater at and adjacent to the Facilities, and to continually contaminate and re-contaminate actual and potential sources of drinking water as well as adjacent surface waters. In addition to the violations set forth above, this Notice is intended to cover all violations of the CWA evidenced by information which becomes available to River Watch after the date of this Notice.

The violations of the Discharger as set forth in this Notice affect the health and enjoyment of members of River Watch who reside and recreate in the affected watershed areas. Said members use the watershed for domestic water supply, agricultural water supply, recreation, fishing, swimming, shellfish harvesting, hiking, photography, nature walks and the like. Their health, use and enjoyment of this natural resource are conditions specifically impaired by the violations of the CWA as alleged in this Notice.

CONTACT INFORMATION

River Watch has retained legal counsel with respect to the issues raised in this Notice. All communications should be addressed to:

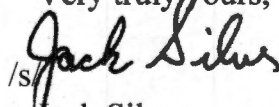
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CONCLUSION

River Watch believes this Notice sufficiently states the grounds for filing suit under the statutory and regulatory provisions of the CWA. At the close of the notice period or shortly thereafter, River Watch intends to file a suit against the Discharger under the provisions of the CWA for each of the violations alleged herein, and with respect to the existing conditions at the Facilities.

Pursuant to CWA § 309(d), 33 U.S.C. § 1319(d), each of the violations described herein occurring within the 5 year period prior to the initiation of a citizen enforcement action, subjects the violator to a significant monetary penalty on a per day/per violation basis. In addition to civil penalties payable to the U.S. Treasury, River Watch will seek injunctive relief in the interest of preventing further violations of the CWA pursuant to Sections 505(a) and 505(d), 33 U.S.C. §§ 1365(a) and (d), and such other relief as is permitted by law. CWA § 505(d) permits prevailing parties to recover costs and reasonable attorney fees.

During the 60 day notice period, River Watch is willing to discuss effective remedies for the violations referenced in this Notice. If the Discharger wishes to pursue such discussions in the absence of litigation, you are encouraged to initiate such discussions immediately so that the parties might be on track to resolving the issues raised in this Notice before the end of the notice period. River Watch will not delay the filing of a lawsuit if discussions have not commenced by the time the 60-day notice period ends.

Very truly yours,

/s/ Jack Silver

JS:lhbm

cc: Administrator
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